

Introduced by Senator Evans

February 18, 2011

An act to add Chapter 3.8 (commencing with Section 7295) to Part 1.7 of Division 2 of, the Revenue and Taxation Code, relating to taxation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 929, as introduced, Evans. Local taxation: vehicle license fees.

Existing law authorizes various local governmental entities to impose local taxes for various purposes.

This bill would authorize the board of supervisors of any county or city and county, by ordinance, to propose to the voters a local vehicle license fee in accordance with specified requirements.

This bill would require the Department of Motor Vehicles to administer the local vehicle license fee, and would require, prior to the operative date of any ordinance imposing a local vehicle license fee, the county or city and county to contract with the Department of Motor Vehicles to perform this function. This bill would require the county or city and county to reimburse the Department of Motor Vehicles pursuant to the contract. This bill would require the revenues derived from the local vehicle license fee to be deposited in the State Treasury to the credit of the Local Vehicle License Fee Account, which this bill would create. This bill would continuously appropriate those moneys to the Controller for allocation to each county and city and county in which the local vehicle license fee is imposed.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 3.8 (commencing with Section 7295) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 3.8. COUNTY VEHICLE LICENSE FEES

7295. (a) In addition to any other tax authority provided by law, the board of supervisors of any county or city and county may, by ordinance, place on the ballot a local vehicle license fee on any vehicle, registered within the county or city and county in which the local vehicle license fee is imposed, that is subject to registration under the Vehicle Code and on which a vehicle license fee is imposed pursuant to Part 5 (commencing with Section 10701), for consideration by the voters in accordance with all constitutional and statutory requirements.

(b) (1) A local vehicle license fee shall be subject to the following conditions:

(A) (i) If the election in which the local vehicle license fee receives voter approval occurs between January 1 and June 30, the local vehicle license fee shall be imposed on and after the first January 1 that follows that election.

(ii) If the election in which the local vehicle license fee receives voter approval occurs between July 1 and December 31, the local vehicle license fee shall be imposed on and after the first July 1 that follows that election.

(B) (i) The Department of Motor Vehicles shall administer the local vehicle license fee.

(ii) Prior to the operative date of any ordinance imposing a local vehicle license fee, the county or city and county shall contract with the Department of Motor Vehicles to perform all functions incident to the administration of the local vehicle license fee.

(iii) The contract shall contain a provision that the county or city and county shall reimburse the Department of Motor Vehicles for all refunds, losses, and costs incurred in the administration and operation of the local vehicle license fee.

(C) The local vehicle license fee shall be assessed and collected in the same manner as the fee imposed by Part 5 (commencing with Section 10701).

1 (2) (A) Amounts collected pursuant to this subdivision shall
2 be transmitted to the Treasurer and deposited in the State Treasury
3 to the credit of the Local Vehicle License Fee Account in the
4 General Fund, which is hereby created.

5 (B) Notwithstanding Section 13340 of the Government Code,
6 the moneys in the Local Vehicle License Fee Account are hereby
7 continuously appropriated, without regard to fiscal year, to the
8 Controller for allocation to each county and city and county in
9 which the local vehicle license fee is imposed.

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